

LEGISLATURE

Budget Summary							
Fund	2014-15 Base Year Doubled	2015-17 Governor	2015-17 Jt. Finance	Joint Finance Change to:			
				Governor		Base	
				Amount	Percent	Amount	Percent
GPR	\$149,416,800	\$147,152,500	\$147,139,500	- \$13,000	0.0%	- \$2,277,300	- 1.5%
PR	<u>4,051,000</u>	<u>4,259,000</u>	<u>4,259,000</u>	<u>0</u>	<u>0.0</u>	<u>208,000</u>	<u>5.1</u>
TOTAL	\$153,467,800	\$151,411,500	\$151,398,500	- \$13,000	0.0%	- \$2,069,300	- 1.3%

FTE Position Summary					
Fund	2014-15 Base	2016-17 Governor	2016-17 Jt. Finance	Joint Finance Change to:	
				Governor	2014-15 Base
GPR	758.17	758.17	758.17	0.00	0.00
PR	<u>19.80</u>	<u>19.80</u>	<u>19.80</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	777.97	777.97	777.97	0.00	0.00

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

GPR	- \$2,427,400
PR	<u>58,000</u>
Total	- \$2,369,400

Governor/Joint Finance: Provide adjustments to the base budget totaling -\$1,221,100 GPR and \$27,500 PR in 2015-16, and -\$1,206,300 GPR and \$30,500 PR in 2016-17. Adjustments are for: (a) turnover reduction (-\$1,037,300 GPR annually); (b) full funding of continuing position salaries and fringe benefits (-\$195,900 GPR and \$23,900 PR annually); and (c) reclassifications and semiautomatic pay progression (\$12,100 GPR and \$3,600 PR in 2015-16, and \$26,900 GPR and \$6,600 PR in 2016-17).

2. LEGISLATIVE LAPSE REQUIREMENT

GPR-Lapse	\$9,232,200
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Governor/Joint Finance: Require the Co-Chairpersons of the Joint Committee on Legislative Organization to take actions during the 2015-17 fiscal biennium to ensure that from general purpose revenue appropriations to the Legislature an amount equal to \$9,232,200 is lapsed from sum certain appropriation accounts or is subtracted from the expenditure estimates for any sum sufficient appropriations, or both.

Under 2011 Act 32, the Co-Chairpersons of the Joint Committee on Legislative Organization were required to take action in the 2011-13 and 2013-15 biennia to ensure that \$9,232,200 from GPR appropriations be lapsed to the general fund in each biennium. The bill extends this prior biennial lapse requirement through the 2015-17 biennium.

3. AUDIT BUREAU RETIREMENT SYSTEM ACTUARIAL STUDY AND IMPLEMENTATION OF NEW PENSION DISCLOSURE REQUIREMENTS

PR	\$135,000
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Governor/Joint Finance: Provide \$65,000 in 2015-16 to the Legislative Audit Bureau (LAB) for the procurement of an actuarial audit of the Wisconsin Retirement System (WRS). Under state statute, the LAB is required to conduct an actuarial audit of the WRS at least every five years.

Further, provide \$35,000 annually to the LAB to assist the Department of Employee Trust Funds in auditing pension disclosures required to be produced under new accounting standards issued by the Governmental Accounting Standards Board (GASB) prior to distributing these statements to local employers participating in the WRS. The GASB is recognized as the official source of generally accepted accounting principles (GAAP) for state and local governments.

The Department of Employee Trust Funds would provide the LAB with the funding for these audits from the public employee trust fund.

4. DIVISION OF MUNICIPALITIES INTO ELECTION WARDS

GPR	\$133,900
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Governor/Joint Finance: Create the following additions to the duties of the Legislative Technology Services Bureau (LTSB): (a) require the LTSB to reconcile and compile municipal boundary information to produce a statewide database consisting of municipal boundary information for the entire state; and (b) require the LTSB to participate, on behalf of the state, in geographic boundary information programs when offered by the U.S. Bureau of the Census. Further, in order to carry out these new responsibilities, provide: (a) \$91,500 in 2015-16 in one-time financing for computer hardware, software, and related licensing costs; and (b) \$21,200 annually in maintenance and licensing costs.

Modify current law regarding the geographic division of cities, villages, and towns into election wards as follows:

a. Provide that no later than January 15th and July 15th of each year, county clerks would be required to transmit to LTSB a report confirming the boundaries of each municipality, election ward, and supervisory district in the county together with a map of the county, in an electronic format approved by the LTSB, current as of the nearest January 1st or July 1st preceding the date of the report. However, in each year following the year of a federal decennial census, the second report would have to be transmitted to the LTSB no later than November 1st and would have to be current as of the date of the report. The second report due to LTSB in the year following the year of a federal decennial census would have to include a list of the census

block numbers of which the county and each municipality and election ward within the county were comprised (the U.S. Bureau of the Census divides the geography of the nation into a series of blocks).

b. Provide that no later than October 15th of each year following the year of a federal decennial census, each municipal clerk would be required to file a report with the county clerk of each county in which the municipality is contained confirming the boundaries of the municipality and of all election wards in the municipality, including a map of the municipality and a list of the census block numbers of which the municipality and each election ward within the municipality are comprised.

c. Provide that, municipalities with populations in excess of 10,000 would no longer have to furnish the Legislative Reference Bureau, within five days after adoption or enactment of an ordinance or resolution, or any amendment thereto, which numbers all election wards in the municipality, sets election ward boundaries, and designates the polling place for each ward: (1) a copy of the ordinance or resolution; (2) a map of the municipality which illustrated the revised ward boundaries; and (3) a list of the census block numbers that were wholly or partly contained within each election ward (although municipalities in excess of 10,000 would continue to have to provide this information to the county clerk of each county in which the municipality is contained).

d. Provide that within five days after receiving notice of a court judgment that has the effect of changing municipal boundaries, the municipal clerk would be required to file with the county clerk of each county in which the municipality is contained a report confirming the boundaries of the municipality and of all election wards in the municipality, including a map of the municipality and a list of the census block numbers of which the municipality and each election ward within the municipality are comprised.

e. Specifically require that a municipal clerk transmit copies of an ordinance or resolution making adjustments to municipal wards after April 1st of the year of the federal decennial census due to changed township boundaries or municipal consolidation within five days after adoption of the ordinance or resolution to the county clerk.

f. Provide that any city, village or town could establish an election ward with less than the generally prescribed minimum population for an election ward if the proposed election ward contained territory that solely lied between an actual municipal boundary that existed on April 1 of the year of a federal decennial census, and an intersecting municipal boundary that deviated from the actual municipal boundary on that date if the deviating boundary was used by the U.S. Bureau of the Census to enumerate the population of the municipality in that census.

The above changes with respect to the transmittal of municipal boundary information would first apply for the 2016 calendar year.

Under current law, every city, village, and town in Wisconsin must by ordinance or resolution of its common council or village or town board be divided into election wards. The boundaries of the election wards and the number assigned to each election ward are intended to be as permanent as possible. Once established, the boundaries of each election ward generally remain unchanged until: (a) a further decennial federal census of population indicates that

changes to the election ward are required to reflect population changes; (b) boundaries are redrawn to permit creation of supervisory or aldermanic districts of substantially equal population; (c) boundaries are redrawn to enhance the participation of members of a racial or language minority group in the political process and their ability to elect representatives of their choice; or (d) other specific circumstances as addressed in statute.

5. EXTERNAL PEER REVIEW OF AUDIT BUREAU FINANCIAL AUDITS

PR	\$15,000
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Governor/Joint Finance: Provide \$15,000 in 2015-16 to fund the cost of an external peer review of Audit Bureau financial audits. This peer review assesses the Audit Bureau's system of quality control to determine whether it conforms with government auditing standards. A peer review must be completed at least once every three years. The Audit Bureau's last peer review was completed in September, 2012.

6. ACTUARIAL STUDIES

GPR	\$15,000
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Governor/Joint Finance: Provide \$15,000 in 2015-16 for the Joint Legislative Council contractual studies appropriation account to conduct actuarial studies approved by the Joint Survey Committee on Retirement Systems. The biennial contractual studies appropriation account has no base funding in 2014-15.

7. MEMBERSHIP IN NATIONAL ASSOCIATIONS

GPR	\$14,200
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Governor/Joint Finance: Provide \$7,100 annually for legislative organization membership dues including the National Conference of State Legislatures and the National Conference of Commissioners on Uniform State Laws. Base funding for membership dues is \$250,000 annually.

8. JUDICIAL COMPENSATION COMMISSION AND THE JOINT COMMITTEE ON EMPLOYMENT RELATIONS [LFB Paper 430]

Governor: Require a newly created Judicial Compensation Commission to biennially review the salaries of Supreme Court justices, Court of Appeals judges, and circuit court judges, and submit a written report on their recommendations for changes to these salaries to the Governor and the Joint Committee on Employment Relations (JCOER) no later than December 1st of each even-numbered year. Specify that judicial salaries established in the biennial compensation plan approved by JCOER be based on recommendations included in the Commission's report.

Joint Finance: Delete provision. [See "Supreme Court."]

9. JOINT COMMITTEE ON EMPLOYMENT RELATIONS OVERSIGHT OF ANNUAL CHANGES TO THE STATE GROUP HEALTH INSURANCE PROGRAM

Joint Finance: Provide that the Group Insurance Board (GIB), in consultation with the Division of Personnel Management in DOA, must annually, by April 1, submit any proposed changes to the state group health insurance program to the Joint Committee on Employment Relations (JCOER). Specify that GIB may not implement any changes to the state group health insurance program unless approved by JCOER. Require JCOER to hold a public hearing on the proposed changes. Provide that annually, before May 1, JCOER must approve, disapprove, or approve with modifications the proposed changes and must notify the Governor of its actions. Within 10 calendar days of this notification, the Governor must approve or reject in its entirety the proposed changes approved by JCOER. Specify that a vote of six members of JCOER may override any rejection of the Governor.

Provide that notwithstanding the process identified above, GIB must submit proposed changes to the state group health insurance program for the 2016 calendar year to JCOER. The Group Insurance Board must submit the proposed changes no later than 30 days after the effective date of the budget bill. The Group Insurance Board may not implement any changes to the state group health insurance program for the 2016 calendar year unless approved by JCOER. The Joint Committee on Employment Relations must hold a public hearing on the proposed changes. Specify that no later than 30 days after GIB submits the proposed changes to JCOER, JCOER must approve, disapprove, or approve with modifications the proposed changes and must notify the Governor of its actions. Within 10 calendar days of this notification, the Governor must approve or reject in its entirety the proposed changes approved by JCOER. Provide that a vote of six members of JCOER may override any rejection of the Governor.

The Joint Committee on Employment Relations is made up of the following eight members: (a) President of the Senate; (b) Senate Majority Leader; (c) Senate Minority Leader; (d) Senate Co-Chair of the Joint Committee on Finance; (e) Speaker of the Assembly; (f) Assembly Majority Leader; (g) Assembly Minority Leader; and (h) Assembly Co-Chair of the Joint Committee on Finance. [See "Employee Trust Funds."]

10. GROUP INSURANCE BOARD CHANGES

Joint Finance: Expand the membership of the Group Insurance Board from 11 to 15 members and provide that the following be added as members of the Board: (a) one Representative appointed by the Speaker of the Assembly; (b) one Representative appointed by the Minority Leader of the Assembly; (c) one Senator appointed by the Majority Leader of the Senate; and (d) one Senator appointed by the Minority Leader of the Senate.

Under current law, the 11-member Group Insurance Board in the Department of Employee Trust Funds oversees the administration and the establishment of policies for four major insurance plans for state employees and certain local government employees. The four plans are: (a) group health insurance for Wisconsin Retirement System (WRS) annuitants, state employees and employees of those local governments that choose to offer this benefit; (b) group income

continuation insurance for state employees and employees of those local governments that choose to offer this benefit; (c) group life insurance benefits for annuitants, state employees and employees of those local governments that choose to offer this benefit; and (d) long-term care insurance for annuitants and state employees. Five members of the Board serve ex officio as a result of the positions that they hold. These ex officio members are the Governor, the Attorney General, the Commissioner of Insurance, the Secretary of the Department of Administration, and the Director of the Office of State Employment Relations. Any of these ex officio members may appoint a designee to serve on the Board in his or her stead. The remaining six members of the Board are appointed by the Governor to two-year terms. [See "Employee Trust Funds."]

11. LEGISLATIVE RECORDS AND CORRESPONDENCE

Joint Finance: Provide that the records and correspondence of any officer of the Legislature, any legislative employee, and of any legislative service agency would not be considered public records for purposes of public records preservation by the Public Records Board.

In addition, specify that no provision of the state's public records law that conflicts with a rule or policy of the Senate or Assembly or joint rule or policy of the Legislature applies to a record that is subject to such legislative rule or policy. This latter provision would be effective July 1, 2015.

Under current law, the records and correspondence of any member of the Legislature are not considered public records for purposes of public records preservation by the Public Records Board.

12. LEGISLATIVE REFERENCE BUREAU RECORDS AND COMMUNICATIONS

Joint Finance: Provide that the Legislative Reference Bureau (LRB) must at all times observe the confidential nature of research requests received by it. Further, provide that all drafting files and other records relating to reference, drafting, and research requests received by the LRB must remain confidential at all times. Delete the requirements that, in carrying out its reference responsibilities, the LRB: (a) maintain the drafting records of legislation introduced in prior sessions of the legislature and utilize such records to provide information on questions of legislative intent; and (b) retain these drafting records in its offices at all times. Delete the requirements that the drafting section of the LRB: (a) maintain the files for all drafting requests received during a legislative session while the Legislature remains in session; and (b) after final adjournment of a legislative session turn over to the reference section of the LRB the files for all drafting requests received during a legislative session which resulted in introduced legislation. Eliminate the requirement for the LRB to administer payments associated with costs incurred for microfilming, optical imaging, or electronic formatting of legislative drafting records. This provision would be effective and initially applicable July 1, 2015.

13. NONPARTISAN LEGISLATIVE SERVICES AGENCIES' COMMUNICATIONS

Joint Finance: Provide that the confidentiality requirements imposed on nonpartisan legislative service agencies could not be construed to prohibit any staff member of a nonpartisan legislative service agency from communicating with any staff member of another nonpartisan legislative service agency for the purpose of serving the Legislature and its members or from disclosing any communication, record, or information in accord with a rule, custom, policy, or practice of the Legislature. This provision would be effective July 1, 2015.

14. LEGISLATOR DISCLOSURE PRIVILEGES

Joint Finance: Provide that a legislator has a legal privilege or right to refuse to disclose, and to prevent a current or former legislative staff member from disclosing, all of the following communications and related records if made within the course of legislative business during the legislator's term of office: (a) a communication between the legislator or a member of the legislator's personal staff, or another person acting on behalf of the legislator, and a member of the clerk staff, sergeant staff or nonpartisan staff; (b) a communication between the legislator, or a person acting on behalf of the legislator, and a member of the legislator's personal staff; (c) a communication between two or more members of the nonpartisan staff, clerk staff, or sergeant staff related to the legislative business of a legislator; (d) a communication between two or more members of the legislator's personal staff; and (e) a communication between the legislator or a member of the legislator's personal staff, or another person acting on behalf of the legislator, and any other person. In addition, specify that a legislator has a legal privilege or right to refuse to disclose, and to prevent a current or former legislative staff member from disclosing, information from which can be ascertained the identity of any person who communicates with the legislator within the course of legislative business during the legislator's term of office. For purposes of these legislator privileges, legislative business would mean all aspects of the legislative process, broadly construed, and include: (a) researching, drafting, circulating, discussing, introducing, and amending legislative proposals; (b) the development of public policy, including research, analysis, consideration, and discussion of issues relevant to public policy; (c) all aspects of legislative proceedings; (d) all matters related to the policies, practices, and procedures of the legislative branch; (e) all matters related to the work of a legislative committee; (f) investigations and oversight; (g) constituent relations; and (h) all other powers, duties, and functions assigned by law, rule, custom, policy, or practice to the Legislature, one house of the Legislature, a committee of the Legislature, or a member of the Legislature. Provide that legislative business would not include criminal conduct or political campaigning. For purposes of these legislator privileges, provide that personal staff means the employees assigned to or interning in the office of a legislator. A legislator's term of office is considered to begin on the date of certification of the legislator's election to the Legislature.

Require legislative service agencies to at all times observe the confidential nature of all communications, records, and information that may be subject to these legislator privileges. Further, provide that these legislator privileges or rights may be waived only by the express personal waiver of each legislator who may claim the privilege. Disclosure of a communication, record, or information that is legally privileged by any person to any other person, regardless of

whether that disclosure is authorized by the legislator and including an authorized disclosure by nonpartisan staff, shall not constitute a legal waiver of the privilege. A legislative staff member or former legislative staff member must assert and may not waive a legal privilege on behalf of a legislator who may claim the legal privilege. Legislative staff members includes: (a) members of the legislator's personal staff; (b) members of the nonpartisan staff; (c) clerk staff; or (d) sergeant staff. These provisions related to legislator privilege may not be construed to limit or restrict in any way a privilege or other protection available to a legislator under any other law.

This provision would be effective and initially applicable July 1, 2015.

15. GUBERNATORIAL AUTHORITY TO DIRECT THE AUDIT BUREAU

Joint Finance: Amend current law to provide that any audit by the Legislative Audit Bureau (LAB) of the operations of the Wisconsin Veterans Home at Chippewa Falls by any private entity would be performed at such times as the Legislature directs, instead of at such times as the Governor or Legislature directs. Delete the authority of the Governor to direct the LAB to make special examinations of the accounts and financial transactions of any department, agency, or officer.

16. MEMBERSHIP OF THE JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

Joint Finance: Delete current law which provides that the Joint Survey Committee on Retirement Systems (JSCRS) be composed of 10 members as follows: (a) two majority party senators, one minority party senator, two majority party representatives, and one minority party representative, appointed as are the members of standing committees in their respective houses; (b) an assistant attorney general appointed by the Attorney General; (c) a member of the public who is not a participant in any public retirement system in Wisconsin, to be selected by the Governor; (d) the Commissioner of Insurance or an experienced actuary in the Commissioner's Office designated by the Commissioner; and (5) the Secretary of Employee Trust Funds or his or her designee. Instead, provide that JSCRS continue to be composed of 10 members, consisting of five senators and five representatives appointed as are members of standing committees in their respective houses. With the elimination of nonlegislator members from JSCRS, delete the requirement that the secretary of JSCRS be elected from the nonlegislator members of the committee. Delete current law which provides that legislators, the assistant attorney general and the member of the public appointed to JSCRS under current law serve for a period of four years and until a successor is appointed and qualified. Further, delete current law which provides that any member of JSCRS ceases to be a member of the committee upon losing the status upon which the appointment was based. Finally, delete current law which specifies that membership on JSCRS must not be incompatible with any other public office.

**17. PUBLICATION OF ACTS AND PROPOSED
CONSTITUTIONAL AMENDMENTS**

GPR

- \$13,000

Joint Finance: Reestimate the legislative documents sum sufficient appropriation by -\$9,000 in 2015-16, and by -\$4,000 in 2016-17, associated with the repeal of the following requirements for the Secretary of State to publish in the official state newspaper: (a) within 10 days after the date of publication of an Act a notice certifying the number of each Act, the number of the bill from which it originated, the date of publication and the relating clause, including a notice of where the full text of each Act can be obtained; and (b) on the first Tuesday of August, September, and October immediately preceding any general election, proposed constitutional amendments that were approved for the first time by the Legislature preceding the election. Instead, require the Legislative Reference Bureau (LRB) to publish proposed constitutional amendments that were approved for the first time by the Legislature on the Internet in one or more electronic formats. Further, require the proposed amendments to be published on the Internet by the LRB no later than August 1 preceding any general election and to remain so published until the general election.

Under current law, the costs incurred by the Secretary of State for publishing notifications of Acts and proposed constitutional amendments in the official state newspaper are charged to the legislative documents sum sufficient appropriation. The LRB is currently required to permanently maintain on the Internet in one or more electronic formats each Act, and every portion of an Act that is enacted by the Legislature over the Governor's partial veto, beginning on the date of publication. The LRB may publish such acts on other electronic media in one or more electronic formats, as determined by the LRB. [See "Secretary of State."]

18. 100TH ANNIVERSARY STATE CAPITOL COMMEMORATION COMMISSION

Joint Finance: Require the Joint Committee on Legislative Organization to establish a nine-member 100th Anniversary State Capitol Commemoration Commission. Each of the following would be authorized to appoint one member to the Commission: (a) the Speaker of the Assembly; (b) the Minority Leader of the Assembly; (c) the President of the Senate; (d) the Minority Leader of the Senate; (e) the Governor; (f) the Supreme Court; (g) the Secretary of the Department of Administration; (h) the State Capitol and Executive Residence Board; and (i) the Director of the State Historical Society. Provide that the members of the Commission elect a Chairperson.

Direct the Commission to plan events, including educational programs for children and students, to be held in 2017 for commemorating the 100th anniversary of the completion of the State Capitol. Authorize the Commission to request that individuals and organizations with knowledge of the history, construction, and renovation of the State Capitol assist the Commission in planning and executing the commemoration. Specify that the Commission dissolve upon conclusion of the commemoration of the 100th anniversary of the completion of the State Capitol.